ORIGINAL FILED 1 KEVIN V. RYAN (CSBN 118321) United States Attorney 2 C3 MAR 13 PM 2: 30 3 Attorney for Plaintiff 4 5 6 7 IN THE UNITED STATES DISTRICT COURT FOR THE 8 9 NORTHERN DISTRICT OF CALIFORNIA OAKLAND DIVISION 10 CRIMINAL NO. JOSSA UNITED STATES OF AMERICA, 11 Plaintiff, 12 VIOLATIONS: 26 U.S.C. § 7206(1) -13 v. MAKING AND SUBSCRIBING PALSE RETURNS; 26 U.S.C. § 7201 - INCOME 14 RALPH JOSEPH SMALL, TAX EVASION OAKLAND VENUE 15 Defendant. 16 INDICTMENT 17 The Grand Jury charges: 18 COUNT ONE: (26 U.S.C. § 7206(1)) 19 On or about April 15, 1997, in the Northern District of California, the defendant 20 RALPH JOSEPH SMALL 21 then a resident of Lafayette, California, did willfully make and subscribe an U.S. Individual Income 22 Tax Return, Form 1040, for the calendar year 1996, which was filed with the Internal Revenue Service 23 and verified by the defendant in a written declaration that it was made under the penalties of perjury, 24 which he knew to be materially false in that said return reported gross income in the amount of a 25 negative \$223,071, whereas, as he then and there well knew and believed, he received gross income for 26 the calendar year 1996 in excess of a negative \$223,071. 27

In violation of Title 26, United States Code, Section 7206(1).

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COUNT TWO: (26 U.S.C. § 7201)

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On or about April 15, 1998, in the Northern District of California, the defendant

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## RALPH JOSEPH SMALL

then a resident of Lafayette, California, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 1997, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service, wherein he stated that his taxable income for said calendar year was the sum of \$182,358, and that the amount of tax due and owing thereon was the sum of \$69,865, whereas, as he then and there well knew and believed, his taxable income for said calendar year was the sum of \$538,100, upon which said taxable income there was owing to the United States of America an income tax of \$207,545.

In violation of Title 26, United States Code, Section 7201.

**COUNT THREE: (26 U.S.C. § 7201)** 

On or about October 12, 1999, in the Northern District of California, the defendant

## RALPH JOSEPH SMALL

then a resident of Lafayette, California, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar year 1998, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent U.S. Individual Income Tax Return, Form 1040, which was filed with the Internal Revenue Service. wherein he stated that his taxable income for said calendar year was the sum of \$179,650, and that the amount of tax due and owing thereon was the sum of \$61,734, whereas, as he then and there well knew and believed, his taxable income for said calendar year was the sum of \$673,626, upon which said taxable income there was owing to the United States of America an income tax of \$253,791.

In violation of Title 26, United States Code, Section 7201.

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**COUNT FOUR:** (26 U.S.C. § 7206(1))

On or about April 15, 1997, in the Northern District of California, the defendant

## RALPH JOSEPH SMALL

then a resident of Lafayette, California, did willfully make and subscribe an U.S. Corporation Income Tax Return, Form 1120, on behalf of Neuro Diagnostics Associates, Inc., for the calendar year 1996, which was filed with the Internal Revenue Service and verified by the defendant, as President of Neuro Diagnostics Associates, Inc., in a written declaration that it was made under the penalties of perjury, which was false and fraudulent as to material matters, in that it represented that Neuro Diagnostics Associates, Inc. was entitled under the provisions of the Internal Revenue laws to claim deductions for personal expenses of its 100 percent shareholder, the defendant, in the amount of \$110,453.14, whereas the defendant then and there well knew and believed, Neuro Diagnostics Associates, Inc. was not entitled to claim said deductions.

In violation of Title 26, United States Code, Section 7206(1).

COUNT FIVE: (26 U.S.C. § 7206(1))

On or about April 15, 1998, in the Northern District of California, the defendant

## RALPH JOSEPH SMALL

then a resident of Lafayette, California, did willfully make and subscribe an U.S. Corporation Income Tax Return, Form 1120, on behalf of Neuro Diagnostics Associates, Inc., for the calendar year 1997, which was filed with the Internal Revenue Service and verified by the defendant, as President of Neuro Diagnostics Associates, in a written declaration that it was made under the penalties of perjury, which was false and fraudulent as to material matters, in that it represented that Neuro Diagnostics Associates, Inc. was entitled under the provisions of the Internal Revenue laws to claim deductions for personal expenses of its 100 percent shareholder, the defendant, in the amount of \$194,221.75, whereas the defendant then and there well knew and believed, Neuro Diagnostics Associates, Inc. was not entitled to claim said deductions.

In violation of Title 26, United States Code, Section 7206(1).

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COUNT SIX: (26 U.S.C. § 7206(1)) ı 2 On or about September 22, 1999, in the Northern District of California, the defendant 3 RALPH JOSEPH SMALL then a resident of Lafayette, California, did willfully make and subscribe an U.S. Corporation Income 4 5 Tax Return, Form 1120, on behalf of Neuro Diagnostics Associates, Inc., for the calendar year 1998, which was filed with the Internal Revenue Service and verified by the defendant, as President of Neuro 6 7 Diagnostics Associates, in a written declaration that it was made under the penalties of perjury, which 8 was false and fraudulent as to material matters, in that it represented that Neuro Diagnostics Associates, 9 Inc. was entitled under the provisions of the Internal Revenue laws to claim deductions for personal expenses of its 100 percent shareholder, the defendant, in the amount of \$184,279.67, whereas the 10 11 defendant then and there well knew and believed, Neuro Diagnostics Associates, Inc. was not entitled to 12 claim said deductions. In violation of Title 26, United States Code, Section 7206(1). 13 14 A TRUE BILL 15 16 17 DATED: **FOREPERSON** 18 KEVIN V. RYAN 19 United States Attorney 20 21 Chief, Criminal Division 22 23 24 25

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